

# LOUISIANA: EXPORTS, JOBS, AND FOREIGN INVESTMENT

## **Exports Mean Jobs for Louisiana's Workers**

- Nearly one-seventh (14.1 percent) of all manufacturing workers in Louisiana depend on exports for their jobs. This is less than the national-level share of manufacturing workers supported by exports (20.5 percent). (2001 data latest available)
- Export-supported jobs account for an estimated five percent of Louisiana's total private-sector employment (roughly one of every 20 jobs). This is below the national average of 6.5 percent. (2001 data latest available)

*Note: Export-related jobs estimates include only jobs supported by exports of manufactured goods; jobs generated by exports of services are excluded. Consequently, the numbers understate the total employment impact of exports. Source: State Export-Related Employment Project, International Trade Administration & Census Bureau.*

## **Exports Help Sustain Thousands of Louisiana Firms—Small As Well As Large**

- A total of 3,310 companies exported goods from Louisiana locations in 2001. Of those, 82 percent were small and medium-sized enterprises with fewer than 500 employees.
- Small and medium-sized firms generated nearly one-fourth (23 percent) of Louisiana's total exports of merchandise in 2001.

*Source: Exporter Data Base, International Trade Administration & Census Bureau*

## **Economic Globalization: A Two-Way Street for Louisiana**

- In 2002, majority-owned affiliates of foreign companies employed 48,900 workers in Louisiana.
- More than one-third of these foreign-investment-supported jobs (36 percent, or 17,400 workers) were in the manufacturing sector in 2002.
- Majority-owned affiliates of foreign firms accounted for 12.3 percent—almost one-eighth—of total manufacturing employment in Louisiana in 2001.
- Foreign investment in Louisiana was responsible for 3.2 percent of the state's total private-industry employment in 2001.
- Major sources of Louisiana's foreign-investment-supported jobs in 2002 were the United Kingdom, Germany, the Netherlands, and France.

*Note: All figures exclude employment in banks affiliated with foreign companies. Source: Bureau of Economic Analysis.*

## **Louisiana Depends on World Markets**

- Louisiana's export shipments of goods in 2003 totaled \$18.4 billion. Louisiana ranked tenth among the states in terms of total exports in 2003.
- Louisiana increased its merchandise exports \$2.5 billion (16 percent) from 1999 to 2003. This was the sixth largest dollar increase among the 50 states over this period.

- Louisiana exported globally to 194 foreign destinations in 2003. The state's largest market in 2003 was Japan, which received exports of \$2.5 billion. Japan was followed China (2003 exports of \$2.1 billion), and the NAFTA countries of Mexico (\$1.8 billion), and Canada (\$1.2 billion). Other top markets included Egypt, South Korea, the Netherlands, Spain, Belgium, and Taiwan.
- Among Louisiana's top 30 markets, China was Louisiana's biggest growth market, in both dollar and percentage terms.
  - Louisiana's export shipments to China increased 219 percent from \$664 million in 1999 to \$2.1 billion in 2003.
  - Other countries to which Louisiana recorded large increases in merchandise exports over the 1999-2003 period were Mexico (exports up \$530 million), Japan (up \$442 million), Canada (up \$187 million), and Cuba (up \$150 million).
  - Besides China, Louisiana's fastest-growing major markets were Portugal (exports up 131 percent from 1999 to 2003), Singapore (up 102 percent), India (up 98 percent), and Panama (up 69 percent).
- Manufactured goods make up 48 percent of Louisiana's exports. Among manufactured products, the state's leading export category in 2003 was chemical manufactures, which alone accounted for \$3.7 billion—one-fifth—of Louisiana's total merchandise exports. Other top manufactured exports that year were processed foods (2003 exports of \$2.1 billion), petroleum and coal products (\$1.2 billion), and machinery manufactures (\$488 million).
- In dollar terms, Louisiana's leading manufactured export growth category is chemical manufactures. Export shipments of these products during the 1999-2003 period grew from \$3.0 billion to \$3.7 billion—an increase of \$690 million. Other manufactured export categories that registered large dollar growth over this period were petroleum and coal products (up \$522 million), machinery manufactures (up \$87 million), and paper products (up \$67 million).
- In percentage terms, Louisiana's fastest-growing manufactured export category is plastics and rubber products, which grew 97 percent from \$46 million in 1999 to \$91 million in 2003. Other rapidly growing manufactured exports during the 1999-2003 period were petroleum and coal products (up 76 percent), and printing and related products (up 41 percent).
- Louisiana is also a major supplier of agricultural and livestock products. In 2003, Louisiana's exports of agricultural products totaled \$9.4 billion, which alone accounted for 51 percent of the state's total merchandise exports.

*Source: Origin of Movement State Export Series, Bureau of the Census.*

*Caution: The Origin of Movement series allocates exports to states based on transportation origin, i.e., the state from which goods began their journey to the port (or other point) of exit from the United States. The transportation origin of exports is not always the same as the location where the goods were produced. Consequently, conclusions about "export production" in a state should not be made solely on the basis of the Origin of Movement state export figures.*

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